

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6597

BILL NUMBER: SB 265

NOTE PREPARED: Jan 3, 2003

BILL AMENDED:

SUBJECT: Veterinary Practice.

FIRST AUTHOR: Sen. Jackman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the State Veterinarian is the executive secretary of the board of Veterinary Medical Examiners (the board). It removes duties performed for the board by the Health Professions Bureau and the Attorney General. The bill also requires the executive secretary and the Board to administer the functions previously provided by the bureau and the Attorney General.

The bill provides that the board may enter into an agreement with the State Board of Animal Health to use staff and facilities. It specifies the effect of delinquent property taxes, a criminal conviction, and delinquent child support on the status of a person's license or application. The bill provides for the enforcement of standards of practice. It also makes conforming amendments and technical corrections.

Effective Date: July 1, 2003.

Explanation of State Expenditures: This bill provides that the executive secretary of the Indiana Board of Veterinary Medical Examiners (Veterinary Board) is the State Veterinarian, whose added responsibilities would include investigation of violations. The bill also provides that all of the responsibilities and services currently provided by the Health Professions Bureau (HPB), which provided staff and facilities, and the Attorney General, which provided investigative services, will shift to the Veterinary Board. According to the bill, the Veterinary Board may enter into an agreement with the Indiana State Board of Animal Health (BOAH) to use its staff and facilities in carrying out the duties of the Veterinary Board.

The HPB, which provides administrative support to health professional licensing boards and committees, does not separately identify costs for each board or committee. Because there is a single appropriation for the HPB, and staff is shared among the boards and committees, cost savings for transferring the Veterinary

Board from the HPB to the BOAH are expected to be minimal.

The BOAH anticipates an increase in expenditures resulting from these additional responsibilities. If BOAH would need to hire a program director (ESM 1) and an administrative secretary (COMOT 2), estimated expenditures would be approximately \$128,500 in FY 2004 and \$129,800 in FY 2005 for personnel, materials, supplies, equipment, and travel. The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The fiscal impact on the Attorney General (AG) should be minimal. The AG's office, which provides investigative services to the HPB boards and committees, would shift its staff in the same manner as the HPB. The AG's office received an average of 47 consumer complaints related to licenses issued by the Veterinary Board from 1998 to 2001.

Explanation of State Revenues: Another provision of this bill would not allow the Veterinary Board to issue a license to an individual whose property taxes are not paid. This bill also specifies that the Veterinary Board may suspend or revoke a license or certificate due to certain criminal convictions. Another provision would allow the Veterinary Board to place on probation, or suspend, a license or permit held by a practitioner who is delinquent on child support payments. These provisions may decrease revenue collected from the issuance and renewal of licenses, however, the overall impact is expected to be minimal.

Background - The HPB reported the Board of Veterinary Medical Examiners has 3,855 active licenses as of October 21, 2002. More than 2,000 are veterinarian licenses. Based on the total number of licenses, the Board of Veterinary Medical Examiners is estimated to have annual expenses of \$63,500 under the HPB. The Board of Veterinary Medical Examiners collected fee revenue of \$12,2701 in FY 2001 and \$95,102 in FY 2002, which is deposited in the State General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Board of Animal Health; Health Professions Bureau; and Attorney General.

Local Agencies Affected:

Information Sources: Gary Haynes, Director, Division of Licensing and Enforcement, State Board of Animal Health (317) 277-0345; Health Professions Bureau.

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